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The EITC is a fraud infested program that sends people a check of up to \$4,716 if they claim they made less than \$12,590 last year (single filer). Statistically, roughly 1/4 to 1/3 of these EITC returns are based on phony or falsified claims. The IRS estimates that between 27 and 32 percent of EITC dollars claimed are fraudulent.

Think about it, 22-million EITC returns were filed in 2006; which generated checks from the government totaling \$43.7 billion. If you run the numbers, you will find that 1/3 of 22-million is 7.3 million. That’s 7.3 million claims a year that are a scam. The cost to the taxpayer is somewhere in the area of \$11-billion to \$14.6 billion.

Under this “bipartisan plan” checks will be sent to those who make \$3,000 or more per year. These people don’t pay income tax and the people that do disclose their income, it’s for only one reason....to file for an EITC check. Now, under this plan, they will get a bonus of \$300 each—including fraudulent returns.

The IRS also estimated that 15% of all tax fraud that occurs is filed by prison inmates! In 2004, over 18,000 of these claims were detected.

The government should not be sending money to people who don’t pay income taxes. This won’t stimulate the economy, and the only thing happening here is an attempt at a “political stimulus”, attempting to shore up the miserable approval ratings of this Congress.